

(757) 322-4682

ATLANTIC DIVISION NAVFACENGCOMINST 11300.7
BE3
15 JUN 1998

ATLANTIC DIVISION NAVFACENGCOMINST 11300.7

From: Commander, Atlantic Division, Naval Facilities Engineering Command

Subj: UTILITY SERVICE CONTRACTING AND ADMINISTRATION

Ref: (a) NAVFAC Contracting Manual (P-68), Part 41 dated Oct 1996
(b) DFARS Part 241
(c) FAR Part 41

Encl: (1) Format for Request for Utility Service
(2) Format for Natural Gas Service Specification
(3) Format for Electric Service Specification
(4) Format for Water Service Specification
(5) Format for Sewage Service Specification
(6) Format for Disconnection of a Utility Service
(7) Format for Change in Billing Address or Paying Office
(8) Procedures for Certifying and Processing Utility Invoices

1. Purpose

a. To provide activities with a format and a procedure for requesting or discontinuing utility services.

b. To delegate authority for fiscal review, technical review, and certification of utility service invoices.

c. To define a procedure for activities to follow when processing monthly utility service invoices and initial connection charge invoices.

d. To define guidelines for activity avoidance of late payment charges.

e. To define a procedure for activity submittal of utility procurement data for input by Atlantic Division, Naval Facilities Engineering Command (LANTNAVFACENGCOM) into the Utilities Procurement Analysis (UPA) program.

2. Cancellation. LANTNAVFACENGCOMINST 11300.3J dated 11 Jan 1991.

3. Scope. This instruction applies to all Navy and Marine Corps activities within LANTNAVFACENGCOM's area of geographic responsibility except those Activities in the EFA MED geographic area. EFA MED has been delegated utility contracting authority for its geographic area. These procedures apply to all utility services procured under utility service contracts both Navy and GSA Areawide.

4. Background

a. Reference (a) assigns to LANTNAVFACENGCOM Contracts Office the responsibility for preparation, negotiation, award, and administration of utility service contracts within our area of geographic responsibility. This authority includes technical review and certification of utility invoices for payment.

b. Per References (a), (b), and (c), LANTNAVFACENGCOM Contracts Office is required to perform an annual review of the rates, terms, and conditions of the utility contracts. The Utility Contracts Branch, Code AQ14, is required to maintain a record of invoice data on all utility contracts, and to submit to Naval Facilities Engineering Command (NAVFACENGCOM) an annual report of the total quantities and costs of utilities services procured. Code AQ14 submits a written determination for accounts above \$100,000 that the rates are fair and reasonable to satisfy the requirement of Reference (a), Paragraph 41.401.

c. Utility Contracting functions are located in the Utilities Contracts Branch, Code AQ14, of the LANTNAVFACENGCOM Contracts Office. Technical functions for electricity, natural gas, potable water and sewage are located in the Utilities Engineering & Acquisition Branch, Code BE3, of the LANTNAVFACENGCOM Public Works Division. Code AQ14 will submit all new services and modifications to existing services to Code BE3 for technical certification prior to contract action. The technical functions for Demand Side Management (DSM) projects and the validation and technical certification of these DSM projects are located in the Utilities Engineering & Acquisition Branch, Code BE3. Copies of EFA MED utility contracts will be forwarded to LANTNAVFACENGCOM Code BE3.

5. Definitions

As used in this instruction, the following definitions apply:

a. Utility Services. The following utility services apply: electricity, natural gas, potable water, and sewage. Rubbish and trash removal is not normally considered utility services. They are considered to be facility service contracts. P-68, Paragraph 41.102(a)(i)(A), provides the following exceptions: "however, where this service is regulated and the rates charged customers and the wages paid employees are controlled by a governmental body, the federal government contracts with a local governmental body to provide the service and there is no opportunity to compete this requirement, it may be considered a utility service."

b. Rates may include rate schedules, riders, rules, terms and conditions of service, and other tariff and service changes.

c. Connection charge means all nonrecurring costs, whether refundable or nonrefundable, to be paid by the Government to the utility supplier for the required connecting facilities, which are installed, owned, operated, and maintained by the utility supplier.

6. Delegation of Authority. As authorized by reference (a), Commanders/Commanding Officers of using activities are hereby delegated authority for fiscal review, technical review, and certification of utility service invoices for their activities using the procedures set forth in this instruction. This authority can be further redelegated to qualified individuals at the activity. A letter providing the names, titles, and telephone numbers of the personnel authorized to sign the utility certifications shall be sent to the appropriate paying office with a copy to LANTNAVFACENGCOM Code BE32MR. Whenever changes occur to the personnel authorized to perform the reviews and certification of utility invoices, an updated letter shall be sent to the appropriate offices. This delegation is intended to expedite the processing of utility service invoices and not to diminish the responsibility of LANTNAVFACENGCOM to perform annual rate reviews.

7. Action

Those Activities that do not require modification to their utility services, no action is required. Those Activities that want to add, modify, discontinue, change mailing address and/or paying office address should perform the following functions, and submit the request forms to LANTNAVFACENGCOM Utilities Contracts Branch, Code AQ14. Activities in Italy, Greece, Egypt and Bahrain shall submit request forms with applicable specifications to EFA MED Engineering Department, Code N4.

(a) Submit Enclosure (1) with applicable specifications [Enclosures (2),(3),(4), and (5)] during the planning stages when the requirements have been identified. Provide copies of designs for construction projects or alterations of service that may identify new utility services or require modifications to existing utility services. You may contact LANTNAVFACENGCOM, Code BE3, at 757-322-4682 for technical assistance in completing the required specifications.

(b) Submit Enclosure (6) no less than 30 days prior to disconnection of a utility service.

(c) Submit Enclosure (7) to initiate contract modifications for changes in billing address or paying office.

(d) Perform technical review and certification of utility service invoices in accordance with Enclosure (8).

(e) Provide data as required by Reference (a), Subpart 41.4, for the Utility Procurement Analysis (UPA) program according to Enclosure (8). LANTNAVFACENGCOM will accomplish data entry of this information and submit the required annual report to NAVFAC.

(f) Implement the procedures of Paragraph 2.a of Enclosure (8) to avoid late payment charges.

(g) Promptly advise LANTNAVFACENGCOM Utilities Contracts Branch, Code AQ14, of all impending rate cases or any changes that would affect the contract. Information concerning pending rate changes are often received with billing statements and by local media announcements. Activities shall request their utility companies to put them on their mailing lists for notification of any such changes. LANTNAVFACENGCOM Utilities Contracts Branch, Code AQ14, will conduct periodic reviews to certify that the procedures set forth in this instruction are followed. Upon

request, LANTNAVFACENGCOM Utilities Contracts Branch, Code AQ14, will be available for assistance in implementing these procedures.

8. Activities shall resolve conflicts concerning any prolonged or repeated outages, poor quality of service, or other difficulties with the utility company. LANTNAVFACENGCOM Code BE3 will be available for assistance in implementing these procedures.

9. Certification Forms. The Utility Invoice Certification, NAVCOMPT Form 2061 (Rev.7/87), may be used in the certification of utility invoices.



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ATLANTIC DIVISION NAVFACENGCOMINST 11300.7
15 JUN 1998

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AFETA Camp Peary

Copy to:

COMNAVSURFWARCEN Washington

LANTNAVFACENGCOM (Code BE)

LANTNAVFACENGCOM (Code BE3) (10 copies)

LANTNAVFACENGCOM (Code AQ14) (4 copies)

REQUEST FOR UTILITY SERVICE

1. **Activity to Receive Service:** _____
UIC: _____
2. **Location of Area to Receive Service:** (full street address, building number, pier, etc.)

3. **Specific Point of Delivery:** (connection point, mechanical room, etc.)

4. **Ownership of Facility to be served:** Govt. owned _____
Govt. Leased _____
5. **Billing Address for Monthly Bills:** _____
6. **Paying Office Address for Monthly bills:** _____
7. **Utility Service Provider Name, Address, Company point of Contact:**

8. **Rate Schedule applicable to Service:** _____
9. **Estimated Annual Cost of Service:** (Excluding Connection Charge):

10. **Date Service is required:** _____

Service Specifications: A separate specification sheet, Enclosures (2-5) is required for each delivery point. If any technical help is required in completing the required specification sheets, the Activity may contract the LANTNAVFACENGCOM Utilities Engineering & Acquisition Branch (Code BE3) for assistance with natural gas, electric service, water or sewerage service.

11. **Activity Point of Contact:** _____
Phone No.: _____

Encl (1)

NATURAL GAS SERVICE SPECIFICATIONS

1. **SPECIFIC PREMISES TO BE SERVED:** The Contractor shall provide
[] firm [] interruptible natural gas service to _____

2. **ESTIMATED SERVICE:** Estimated annual service requirements are:

Maximum demand _____ ccf/hr (One Hundred cubic feet per hour)

Total annual usage _____ ccf (One Hundred cubic feet of gas)

Operating pressure _____ (PSIG +/-)

**NOTE: The usage amounts shown in this paragraph are estimates only
and do not constitute a Government usage guarantee.**

3. **POINT OF DELIVERY:** The point of delivery is: _____
_____. (A map or diagram suitable for
showing point of delivery information shall be provided by the
requesting activity).

4. **Other Facility Notes/Concerns:** _____

5. **Rate Schedule (If available):** _____

6. **Estimated Annual Cost:** _____

ELECTRIC SERVICE SPECIFICATIONS

1. **SPECIFIC PREMISES TO BE SERVED:** The Contractor shall provide
☐ Standby ☐ Permanent electric service to _____

2. **ESTIMATED SERVICE:** Estimated annual service requirements are:

Maximum demand _____ kW

Total annual energy consumption _____ kWh

NOTE: The above amounts are estimates only and do not constitute a Government usage guarantee.

3. **SERVICE TO BE RENDERED:** The type of electric service required by the Government is 60 hertz, alternating current:

☐ overhead or ☐ underground;

☐ single-phase or ☐ 3 phase;

☐ 2-wire, ☐ 3-wire, or ☐ 4-wire; and

☐ Delta-connected or ☐ Wye-connected.

Enter requirement for dual-feeder service, if justified.

The normal delivery voltage shall be:

☐ 120/240; ☐ 120/208; ☐ 240-480; ☐ 277/480;

☐ _____ Enter other secondary and/or primary voltages, as appropriate.

4. **The Contractor shall meter electric service on the:**

☐ Primary or ☐ Secondary side of the ☐ Contractor ☐ Government owned transformer(s) at _____ volts.

5. **POINT OF DELIVERY:** The point of Delivery is:

(A map or diagram suitable for showing the point of delivery shall be provided by the requesting activity.)

6. **Other Facility Notes/Concerns:** _____

7. **Estimated Annual Cost:** _____

8. **Rate Schedule applicable to Service:** _____

Encl (3)

WATER SERVICE SPECIFICATIONS

1. **Specific Premises to be served:** The Contractor shall provide
[] potable, [] firefighting, [] industrial use (raw), [] combined potable and fire fighting,
[] other water service (if other, describe) to:

2. **Estimated Quantities:** (Estimated annual service requirements)

Average Daily Demand: _____ gpd (Gallons Per Day)
Estimated Domestic Peak Demand: _____ gpm (Gallons Per Minute)
Fire fighting Demand: Flow _____ gpm Duration _____ min.
Estimated Annual Volume: _____ kgal (Thousand Gallons)
3. **Rate Schedule applicable to Service:** _____
4. **Point of Delivery:**
The diameter of the Government's water line at the point of delivery is _____ inches. The point of delivery is: _____ (A map or diagram suitable for showing point of delivery information shall be provided by the requesting activity)
5. **Other Facility Notes/Concerns:** _____
6. **Estimated Annual Cost:** _____

SEWAGE SERVICE SPECIFICATIONS

1. **Specific Premises to be Served:** The contractor shall provide
[] domestic, [] industrial Sewage service to:

2. **Estimated Quantities:** (Estimated annual service requirements) are:

Average Daily Flow: _____ gpd (Gallons Per Day)
Maximum Daily Volume: _____ gpd (Gallons Per Day)
Peak Flow: _____ gpm (Gallons Per Minute)

3. **Rate Schedule applicable to Service:** _____

4. **Point of Delivery:**

The diameter of the Government's pipeline at the point of collection is: _____ inches. The
point of Delivery is: _____
(A map or diagram suitable for showing the point of delivery shall be provided by the requesting
activity.

5. **Type of Service:** _____ Gravity _____ Pumped

6. **Other Facility Notes/ Concerns:** Please list any specific known facility demands/special
requirements.

7. **ESTIMATED ANNUAL COST:** _____

DISCONNECTION OF UTILITY SERVICE

1. Activity Receiving Service: _____
UIC: _____
2. Type of Service: _____
3. Location of Area Being Served: _____
4. Utility Account Number: _____
5. Name/Address & Phone No. Of Company Providing the Utility Service:

6. LANTNAVFACENGCOM Utility Contract No.: _____
7. Desired Disconnection Date: _____
8. Activity Point of Contract/Phone No.: _____

Encl (6)

REQUEST FOR CHANGE IN BILLING ADDRESS OR PAYING OFFICE

1. **Activity Served:** _____
2. **Location of Premises Being Served:** _____

Utility Account Number: _____
3. **Name and Address of Company Providing Utility Service:** _____

4. **LANTNAVFACENGCOM Utility Contract No.:** _____
5. **Billing Address:**
From:

To: _____

6. **Paying Office:**
From:

To: _____

7. **Effective Date of Change:** _____
8. **Activity Point of Contact Name/Phone No.:** _____
9. **Attach Change Authorization (i.e., DFAS Notification Letter, etc.):**

Encl (7)

PROCEDURES FOR CERTIFYING AND PROCESSING UTILITY INVOICES

1. Scope: These procedures apply to invoices for all utility services procured under utility service contracts or letter orders awarded and administered by Atlantic Division, Naval Facilities Engineering Command (LANTNAVFACENGCOM).
2. Procedures: Upon receipt of utility invoices by the activity receiving the services, the activity shall take the following action:
 - a. Verification of receipt of services: The using activity shall determine that the utility company has provided services according to the applicable contract document and certify receipt of those services.
 - b. Checking utility company's invoices:
 - (1) The using activity shall check the invoices to determine that the Government has been properly billed for service rendered within the dates specified.
 - (2) Beginning meter readings when shown on invoices should be the same as the final readings shown on the previous invoice. The utility company should explain any discrepancies.
 - (3) The face of every invoice submitted must show the name and location of the activity receiving the services. The using activity should add this information if not indicated by the utility company.
 - (4) Any "credit" or "other charge" appearing on any invoice should be accompanied by a brief explanation from the utility company.
 - (5) In the event the utility company cannot satisfactorily explain a discrepancy in the billing data to the satisfaction of the certifying officer or his representative, the activity should contact LANTNAVFACENGCOM Utilities Contracts Branch, Code AQ14, immediately for guidance.
 - (6) Normally, do not accept invoices marked "corrected," "adjusted," "revised," etc. Invoices showing minor alterations made by an authorized utility company representative are acceptable provided they are made and initialed in ink.
 - (7) The receiving activity should not alter the invoice. The Comptroller General of the United States has granted authority to utility companies to include any unpaid balance due on an invoice as long as it is shown as a separate item. Activities should take action to resolve the unpaid amount.
 - (8) If an invoice is received with new or amended rates, a copy of the invoice, regardless of dollar amount, with the new or amended rate schedule shall be forwarded to LANTNAVFACENGCOM Utilities Contract Branch, Code AQ14 for appropriate contract action.
 - c. Certification and accounting data: After checking the invoice, the using activity shall complete a certification of receipt and acceptance. The authorized receiving officer, indicating rank and title, shall manually sign the certification. The Utility Invoice Certification, NAVCOMPT Form

2061 (Rev 7/87), may be used to make the certification. If Form 2061 is not used, the same information from the Form 2061 must be provided with the alternate format. Ensure that the certification and accounting data cover only the current service period and exclude any unpaid balance.

d. Technical review: The using activity will perform the required technical review and certification of utility invoices. This technical review will include any contract provisions that are peculiar to the specific utility services. The technical review will include but not be limited to such technical items as:

- (1) A determination of the proper application of the contractor's rate to the Government,
- (2) fuel and power factor adjustments,
- (3) credit for outages, and
- (4) meter corrections and constants.

e. Processing a Connection Charge Invoice. Forward a legible copy of any connection charge invoice (regardless of dollar value of the account) to Code BE32 for inclusion in the UPA program. When the contract action states that LANTNAVFACENGCOM is responsible for the payment process (for example, new construction, MILCON, etc.), no action by the activity is required except for verification that the connection was completed. When the contract action states that the activity is responsible for processing the initial connection charge invoice, the activity will treat the invoice in the same manner as a utility service invoice except to note "Connection Service Completed" on the invoice.

3. Utility Service Invoices

a. Upon completion of certification of acceptance and certification of technical/fiscal review, the original and two copies of the invoice will be forwarded to the appropriate paying office for payment. It is strongly recommended that every effort be made to deliver the invoice to the paying office expeditiously. Flag each invoice to say "**UTILITY INVOICE PROCESS IMMEDIATELY**" to help prevent late charges. Process invoices so they are paid within the time normally allowed by the utility company. Activities should establish procedures to define the required time frames for each organizational element involved in the process, and extend every effort to avoid late payment charges.

b. Forward a legible copy of each utility invoice and NAVCOMPT Form 2061 on any single account totaling more than \$25,000 per year to LANTNAVFACENGCOM Code BE32MR for entry into the UPA System. Each invoice must show the monetary amount, quantity consumed (where applicable), and the utility contract number.

c. Do not forward LANTNAVFACENGCOM Code BE32MR copies of invoices that total less than \$25,000 per year. NAVFAC P-68, Subpart 41.4, directs each Activity to maintain cost and quantity data for each utility account less than \$25,000 per year. By 31 October of each year, please submit this information for the prior fiscal year to LANTNAVFACENGCOM Code BE32MR. It is requested that Code BE32MR be advised as accounts change from the "under \$25,000 to over \$25,000" range due to rate increases, etc.

d. European activities, other than Italy, Greece, Bahrain and Egypt, shall submit to Code BE32MR, on or before 30 November of each year, a report of twelve months prior fiscal year quantity and cost data by month for those accounts that exceed \$25,000 per year. Those accounts that are less than \$25,000 per year shall be submitted by 30 November of each year, a yearly summary of the twelve months prior fiscal year quantity and cost data.

e. Activities in Italy, Greece, Bahrain and Egypt shall submit copies of monthly invoices of accounts exceeding \$25,000 per year and annual quantity and cost data of accounts less than \$25,000 per year to EFA MED Naples. EFA MED Naples will assemble the data and submit a consolidated report to Code BE32MR no later than 31 December of each year.

Encl (8)